

## APPENDIX J

### SECTION 3 REQUIREMENTS

There is a dollar threshold, above which Section 3 applies and below which it does not apply. Section 3 applies to the recipient of a community development assistance award, for which the total assistance provided, including the HUD share, is in excess of \$200,000.00. Section 3 also applies to any contractor or subcontractor (including contractors who supply professional services, but not including contractors who only furnish materials or equipment and do not undertake the work of installing the materials or operating the equipment) who perform work on a project for which the recipient's total assistance award exceeds \$200,000.00 and the amount of the contract or subcontract exceeds \$100,000.00. If this Appendix appears in the contract, it is because the City of Somerville, acting by and through its Office of Strategic Planning and Community Development, has determined that the dollar threshold has been exceeded and that Section 3 applies.

In housing and community development programs, a hiring preference shall be given, to the greatest extent feasible,

- 1) in the case of newly created, full-time jobs for permanent, temporary, and/or seasonal employees, to low-income and very low-income persons; and
- 2) in the case of contracts and subcontracts, to business concerns which:
  - a) are owned (51% or more) by low- or very low-income persons; or
  - b) employ a substantial number (30% or more) or employees who are low- or very low-income, or employees who were low- or very low-income when first employed and the date of first employment was within the preceding three years; or,
  - c) have demonstrated a commitment to award more than 25% of the dollar amount of all subcontracts to businesses that fall within a) or b) above.

A person will be considered low- or very low-income if his or her family income is at or below the following limits for families from one to eight persons. (For each person in excess of eight, 8% of the 4-person limit should be added to the 8-person limit, and the result should be rounded up or down to the nearest \$50.00.

size of family	1	2	3	4
very low-income	\$29,450	\$33,650	\$37,850	\$42,050
low-income	\$46,300	\$52,950	\$59,550	\$66,150
size of family	5	6	7	8
very low-income	\$45,400	\$48,800	\$52,150	\$55,500
low-income	\$71,450	\$76,750	\$82,050	\$87,350